

Consultation on Measuring Child Poverty: Responses to Specific Questions from the Centre for Analysis of Social Exclusion (CASE)

Please note that we have chosen not to complete the tick boxes in the online version of the form. Many of the boxes ask us to assess the importance of particular factors in a future multidimensional measure of child poverty. We found it impossible to do this, both because of the lack of clarity about what the measure is intended to capture, and because of our reservations about the value of a single, combined indicator. These concerns are laid out in detail in our cover letter and in specific responses below.

Potential Dimensions

Q1: Are there other dimensions we should consider for inclusion in a multidimensional measure of child poverty?

We have fundamental concerns about the multidimensional measure of child poverty that is being proposed, as set out in our covering letter. We cannot comment constructively on dimensions for inclusion until the underlying concept of interest is made clear.

Dimension 1: Income and Material Deprivation

Q2: (a) How should we measure income as a dimension in a future multidimensional measure of child poverty?

We believe that measures of money income that are appropriately comprehensive in terms of coverage of income sources, and which are suitably adjusted to account for differences in household and composition, provide a good means of ascertaining the general level of material resources available to households and the children within them. While acknowledging that no money income measure is perfect, we would also say that the measures of income that are currently used in the DWP's *Households Below Average Income* (HBAI) statistics are of high quality, reflecting sustained developments and improvements in them over the last two decades by DWP staff in conjunction with external consultations. The HBAI income measures, notably the 'net income BHC' measure, are also consistent with international standards for income measures derived by the Canberra Group (Expert Group on Household Income Statistics) and the Luxembourg Income Study, and the definition is the same one currently used in the EU's Statistics on Income and Living Conditions (to which the UK contributes).

(b) How important are relative and absolute income?

We understand that the question refers to the definition of the income cut-off separating low income and non-low income individuals (the ‘poverty line’). A relative poverty line for a given year is one where the cut-off is defined with reference to average income of that year, e.g. a fraction of the median income, such as the ‘60% of contemporary median’ threshold that is the main – but not only – cut-off used in the HBAI statistics. Its level in real income terms varies with median income. An absolute (or ‘anchored’) poverty line for a given year is one where the cut-off is defined with reference to the average income of one particular year, e.g. a fraction of the 1998/99 median income, which is a cut-off also used in the HBAI statistics.

Both types of threshold are very important. Use of a relative poverty line ensures that assessments of the prevalence of low material resources take into account secular increases in material living standards over time – it is widely agreed that a family’s minimum requirements in terms of material resources are not fixed and immutable but depend on the material resources in contemporary society. One potential problem with a relative poverty line, however, is that it may lead to counter-intuitive estimates of the prevalence of low material resources over periods such as big recessions or booms – periods within which there are not only large changes in incomes for people with below-average incomes but also in average income itself, which may occur faster than those in society’s perceptions of what are minimum or adequate resources. (For instance, in a big recession, when average and bottom incomes tend to fall, it is possible that the relative poverty rate may fall. This happened in the UK between 2009/10 and 2010/11, and in New Zealand in the 1980s. Similarly, in boom times such in the Irish ‘Celtic Tiger’ period in the 2000s, bottom incomes and average income both increased rapidly but the relative poverty rate did not fall.) Because of this phenomenon, it is important to supplement statistics based on relative poverty lines with statistics based on absolute poverty lines, as currently done in the HBAI and the suite of indicators currently used to measure progress in reducing child poverty. A poverty line that is anchored in real income terms would show a rising prevalence of low material resources in times of sharp recession, or a falling prevalence in times of boom.

Using both types of poverty line together provides a fuller understanding of what is happening to individuals’ access to material resources, and provides benchmarks for assessing changes in prevalence of low material resources over both the short- and longer-term.

Q3: How does the ownership of assets such as a house affect our understanding of poverty?

If there are two children who are each counted as poor, but one lives in a household that is asset-rich and the other lives in an asset-poor household, then most people would suggest that the second child is worse off. The same argument applies to debt but in reverse. If one of the children lives in a debt-free household and the other lives in a household that is debt-ridden, then most people would suggest that the second child is worse off.

In short, knowing about a household's assets – of all kinds, including net housing wealth – provides information about the extent to which poor families in otherwise similar characteristics can maintain their standards of living given changes in income.

The reasoning is that ownership of financial and other assets can provide a buffer against bad times: families with financial assets may be able to draw on savings, sell some or all of types of assets, or borrow against the assets, and thereby improve their current living standards. The extent to which this is possible is limited, however. It is limited because poor households tend to have few savings; once assets are sold, they are gone; the interest payments on additional debt arising from more borrowing may be unsustainable, if borrowing is possible at all; and assets may not be divisible or able to be liquidated. Owner-occupied houses are an example of an illiquid asset, with the possibilities of borrowing against it constrained by the nature of the house, existing mortgage debt, and the ability of the household to service their existing mortgage, old debt, and any new debt. These problems tend to be greater for poor householders than non-poor ones (and poor householders are more likely to have debts than financial assets in any case), and worse in the current economic climate compared to before the recession.

There is a further reason why housing per se is relevant to our understanding of poverty. If 'poverty' is interpreted to mean 'low access to material resources' of all kinds, or low well-being, and not simply money income, then the nature of an individual's housing becomes relevant (along with many other factors that may affect these broader measures). Children growing up in good quality housing are better off, broadly speaking, than children growing up in poor housing, other things being equal. Ownership of the housing per se only becomes relevant to this discussion to the extent that housing quality is correlated with home ownership. (There is a wide range of housing qualities within the own-occupied, private-rental and social-rental sectors.)

Note, finally, that existing HBAI income measures take some account of assets, including housing. The income from interest-bearing assets is included in the total household income measure. The After Housing Costs income measure takes account of differences in housing costs across tenures (albeit imperfectly), and treats owners and renters more consistently than the Before Housing Costs measure (which counts housing benefit income as income even it is paid directly to a landlord). There are good arguments in principle for moving to a new total income measure that incorporates a consistent measure of the benefits of housing but recent experience in the EU suggests that it is very difficult to derive such a measure in practice (see Figari et al, 2012).

Q4: How can an income dimension in a multidimensional measure of child poverty avoid the drawbacks associated with a simple income threshold?

One way to avoid the drawbacks associated with a simple income threshold is to monitor poverty against a number of different poverty lines rather than just one (e.g. 50%, 60% and 70% of the median). This shows us whether reductions in poverty are driven by

unrepresentative changes from just below to just above one particular threshold – the ‘poverty plus a pound critique’. In fact, the current set of published HBAI statistics includes poverty measured against a variety of poverty lines in exactly this way. We know from these numbers that ‘poverty plus a pound’ is not an accurate assessment of the fall in child poverty over the last fifteen years: measured poverty has fallen against each of these poverty lines.

A second approach is to supplement the poverty headcount measures with a measure of poverty *depth*. We think there is a good case for adding a depth measure to the suite of indicators in the Child Poverty Act. We suggest the median poverty gap as used by Eurostat, which avoids being affected by the potentially unreliable reported income in the bottom 3-4 percent of the distribution.

To a certain extent, combined income and material deprivation measures can help to avoid the threshold problem by including wider information on household resources beyond income. One example of such a measure that has turned out to be relatively successful in practice is the measure of ‘consistent poverty’ originally proposed by Nolan and Whelan (1996) and now adopted by the Irish government as one of several measures in its poverty monitoring portfolio, and used in the UK suite of indicators for monitoring child poverty trends. An individual is ‘consistently poor’ if s/he lives in a household which is income-poor (using an HBAI-like threshold) *and also* experiencing multiple deprivation (though note that moving over the threshold still lifts the household out of measured poverty).

However, if the idea is to make income one dimension of a broader multidimensional index (including wider domains of well-being – the second concept highlighted in our covering letter) this will make it more difficult to avoid the threshold problem. This is because it will be harder to include additional indicators (such as indicators of depth) to provide the necessary nuance for each dimension. See the discussion about creating an index in our covering letter.

Dimension 2: Worklessness

Q5: How important is worklessness as a dimension in a future multidimensional measure of child poverty?

We find it difficult to respond to this question as we are not clear about the concept the government is seeking to capture with its multidimensional measure. Please see the discussion in our covering letter.

Q6: How should worklessness be measured?

We observe that, were ‘parental worklessness’ to be summarised, there will be problems of comparability across households of different sizes and composition. A couple-household can

have two adults out of work; a lone-parent household cannot. It is for this reason that Eurostat uses measures of household work intensity rather than of worklessness per se.

Q7: Does the length of time for which a household is workless matter for measurement?

Yes. It is commonly agreed that the longer a person is workless, the greater the risk of falling into poverty, unless buffered by significant other resources. There are several potential reasons to justify this position. The longer the spell of non-employment, the more likely it is that individuals and their households will exhaust stocks of assets and savings that they could use to maintain living standards. The longer the spell of non-employment, the more likely that an individual's skills will depreciate. And, if employers have many potential applicants to choose from for a job, then they may use length of time unemployed, as a signal to discriminate between the candidates, other things being equal.

So, in principle, measures of worklessness duration are useful supplements to measures of worklessness prevalence. Combining indicators of duration and prevalence into a single measure raises many issues, however: it is not straightforward. It would be important to capture repeated spells, rather than just the duration of the current/latest spell. Observe, too, that collection of timely data about duration is much more difficult than collection of timely data about prevalence. (Amongst other things, it requires longitudinal data sources, not only cross-sectional data.)

Dimension 3: Unmanageable Debt

Q8: How important is unmanageable debt as a dimension in a future multidimensional measure of child poverty?

We find it difficult to respond to this question as we are not clear about the concept the government is seeking to capture with its multidimensional measure. Please see the discussion in our covering letter. Unmanageable debt might provide accompanying supplementary information to a measure of poverty and material deprivation.

Q9: What aspects of unmanageable debt should we be most concerned about capturing?

Our comment here is brief, because we are not sure what the government is trying to capture in its multidimensional measure. We simply note that measurement of 'unmanageable debt' raises many issues. For example:

- Which sorts of debt should be counted in the total? E.g. housing arrears? Other consumer debt? All debt?
- Is one concerned simply with a measure of prevalence (whether a person has unmanageable debt or not) or should a measure take account of the amount of debt over some threshold?
- What is ‘unmanageable’? Does one need a different sort of threshold for each type of debt, and is this threshold set as a fraction of total income (net income BHC, net income AHC, or some other measure?)
- How does ‘manageability’ of a debt relate to prospects of later income (eg in the case of a mortgage), which is hard to observe. Following on from this, should not lack of the protective effects of sufficient liquid assets also be considered an issue for households with low prospects of future income?

See also our response about ‘ownership of assets’ under Q3 above.

Dimension 4: Poor Housing

Q10: How important is poor housing as a dimension in a future multidimensional measure of child poverty?

We find it difficult to respond to this question as we are not clear about the concept the government is seeking to capture with its multidimensional measure. Please see the discussion in our covering letter. See also our response about ‘ownership of assets’ under Q3 above, especially the second point where we refer to the potential value of information about housing quality independently of information about house ownership.

Q11: What aspect of poor housing should be captured in a measure?

Please see earlier comments.

We observe that there are already a set of indicators relevant to ‘poor housing’ that are used to compile the measures of material deprivation that are reported in the HBAI statistics, and also form part of the measures relevant to the statutory child poverty targets. At the very least, these indicators have the advantages of being tried and tested. Continued use would also provide some degree of continuity.

Q12: How can we consider the impact of where children grow up in measuring child poverty?

We do not think that ‘where children grow up’ is relevant to a measure of child ‘poverty’. In terms of the distinctions that we make in our covering letter and below, such information may well be relevant to summarising the *drivers* of poverty, to other aspects of current quality of life or *other barriers to life chances*.

Dimension 5: Parental Skill Level

Q13: (a) How important is parental skill level as a dimension in a future multidimensional measure of child poverty?

We find it difficult to respond to this question as we are not clear about the concept the government is seeking to capture with its multidimensional measure. See the discussion in our covering letter. In terms of the distinctions made there, parental skill level might be seen as a potential measure of the *drivers* of children's poverty via its effects on worklessness or low earnings, or a *potential barrier to life chances*, through the limitations to some forms of support that parents can offer their children (eg with homework).

(b) What level of skill matters?

A more important question than the *level* of skills is the nature of the skills.

There are many different types of skills, including different types of cognitive and non-cognitive skills. Some are measured formally using tests and exams (e.g. Key Stage test scores, A-levels, other qualifications) and are measured at particular stages common to most people's lives. Other skills are not measured in this way but may also be important. Examples included measures of 'parenting style'.

Q14: How can we best capture parental skill level in a new child poverty measure?

Our response to this point is brief because we are unclear about what the new poverty measure will seek to capture.

We observe that, were 'parental skill' to be summarised, there will be problems of comparability across households of different sizes and composition. A couple-household can have two adults each with different skill levels; a lone-parent household can only have one set of parental skills. Combining skill levels across adults, however they are measured, raises difficult measurement issues.

Dimension 6: Access to High Quality Education

Q15: What impact does attending a failing school have on a child's experience of poverty?

We find it difficult to respond to this question as we are not clear about the concept the government is seeking to capture with its multidimensional measure. In terms of the distinctions made in our covering letter, attendance at a failing school is a potential measure of the *drivers* of children's poverty or a *potential barrier to life chances*. Education would

also be an important domain in a measure of multidimensional deprivation, but we believe outcome measures would be more appropriate indicators of such a domain than input measures.

Q16: What impact does attending a failing school have on a child's life chances?

There is research evidence that school quality has an impact on the cognitive attainments of children as measured in standardised tests. Typically differences between schools are estimated to account for between 8% and 15% of attainment differences – the remainder being accounted for by individual, family and neighbourhood factors. Clifton and Cook (2012) have recently calculated that pupils in the most deprived quartile of postcodes achieve on average around four B's and four C's at GCSE in outstanding schools, compared to four C's and four D's in inadequate schools.

If we assume that cognitive attainments are related to life chances, then we can also assume that the quality of the school attended is likely to have some impact on life chances – although we know of no evidence that has tested this directly using longitudinal data. However, schools which are deemed 'failing' are often in areas of concentrated poverty. Some have particular strengths in pupil welfare and family and community links, and can be effective at supporting aspects of the well-being and life chances of the most disadvantaged pupils even if academic progress is inadequate. Again, we have not seen these different aspects of school strengths and weaknesses tested for their impact on child outcomes other than cognitive attainments.

Q17: How should access to quality education be measured?

Our response is brief because of what we stated in the previous point.

We note that, were such a measure to be attempted, there are important issues concerning what is meant by 'quality of education' (including what dimensions should be summarised, and whether the measure should account of the degree of poor quality or simply its prevalence). Ratings by Ofsted provide an official judgement – although would not be unproblematic to use in a child poverty measure. Firstly, schools are not inspected every year, so the data for many children would always be out of date. Secondly, inspection frameworks are not stable over time – their content and the likelihood of being 'failed' changes every few years. Thirdly, there is a strong correlation between school-level poverty and the chances of school failure – it is possible that measures of poverty and measures of school quality are not entirely independent.

Similarly, 'access' is difficult to define in principle. The government would need to be clear whether it is trying to measure the quality of school attended (bearing in mind that some pupils move from school to school – another technical problem of measurement) or the opportunity for a pupil to attend a high quality school – for example distance from such

schools, admissions criteria, levels of over-subscription. No index of ‘individual access’ such as this currently exists, so far as we are aware.

Dimension 7: Family Stability

Q18: How important is family stability as a dimension in a future multidimensional measure of child poverty?

We find it difficult to respond to this question as we are not clear about the concept the government is seeking to capture with its multidimensional measure. In terms of the distinctions made in our covering letter, family stability is a potential measure both of the *drivers* of children’s poverty or a *potential barrier to life chances*.

Q19: How important is the long-term involvement of both parents to their child’s experience of poverty and life chances?

This topic is not our specialty.

Q20: How important is the presence of a father to a child’s experience of poverty and life chances?

This topic is not our specialty.

Q21: Which experiences associated with family stability should be captured in a measure?

We note that, were such a measure to be attempted, there are important issues concerning what is meant by ‘family stability’. For example, family stability is an intrinsically longitudinal concept – stability can only be defined with reference to a length of time within the life course. So, one needs to be able to define in a consistent manner a ‘window of observation’ within which each child is at risk of family instability. Should this be ‘between the ages of 0 and 5’ or ‘0 and 10’ or ‘0 and 15’, etc.? Such measures can only be derived for children who are older than the upper age threshold and not for all children. If the measures refer to a short-period, say ‘0 to 5’, then they miss important effects if they occur at later ages. In addition, there are separate issues concerned with the measure of ‘stability’, e.g. does it refer to *ever experiencing* instability, or take account of *how long* a child was not living with both parents, or the *number of spells* of instability? Third, there are issues referring to the source of the instability. A child may experience ‘instability’ because of parental divorce or separation, or because of parental death. Also, ask how a child who is born into a lone parent family should be treated? If the child’s parent subsequently repartners there is instability in terms of parenting arrangements, and this too is ‘instability’, strictly speaking.

Finally, observe that the longitudinal data requirements for derivation of such a measure, especially on a regular basis, are very large and probably insurmountable.

Dimension 8: Parental Health

Q22: How should we recognise young carers in a multidimensional measure of child poverty?

We think a first priority would be to examine how young carers (and other groups of vulnerable children) are affected by poverty as measured by the existing suite of indicators in the Child Poverty Act.

This could be done using the Family Resources Survey. We had hoped to do it ourselves but have been unable to raise funding to do so.

Q23: How should we recognise parental drug and alcohol dependence and mental health conditions in a multidimensional measure of child poverty?

We find it difficult to respond to this question as we are not clear about the concept the government is seeking to capture with its multidimensional measure. In terms of the distinctions made in our covering letter, parental drug and alcohol dependence and mental health conditions can be potential *drivers* of children's poverty, resulting in low earnings or unemployment and hence low material resources. They can also separately be a *potential barrier to life chances* through their effects on parenting.

Q24: How can parental disability and general poor parental health be reflected in a multidimensional measure of child poverty?

We find it difficult to respond to this question as we are not clear about the concept the government is seeking to capture with its multidimensional measure. In terms of the distinctions made in our covering letter, parental disability and general poor parental health are a potential *drivers* of children's poverty or a *potential barrier to life chances*.

We also note that there is a good argument for adjusting incomes for the additional needs caused by disability, or more simply for excluding extra-costs disability benefits from the income measure (see pp.189-91 of NEP, 2010).

Creating a multidimensional measure

Q25: Are there other criteria that we should evaluate a new measure against?

If any multi-dimensional measure is to be created, then we believe that the lessons of existing academic research and statistical agency practice should be drawn on.

To illustrate this point, we refer to the criteria underpinning the social inclusion multiple indicator framework that are used by the EU. (The indicators are measured regularly in all EU member states, including the UK, under the auspices of Eurostat.) The criteria are shown in the table below. The source is the published version of the report that underpins the EU's multiple indicator framework.

Principles to guide the construction of social indicators (Atkinson et al. 2002)

Six principles referring to the individual indicators

1. An indicator should identify the essence of the problem and have a clear and accepted normative interpretation.
2. An indicator should be robust and statistically validated.
3. An indicator should be responsive to effective policy interventions but not subject to manipulation.
4. An indicator should be measurable in a sufficiently comparable way across member states, and comparable as far as practicable with the standards applied internationally by the UN and the OECD.
5. An indicator should be timely and susceptible to revision.
6. The measurement of an indicator should not impose too large a burden on member states, on enterprises, or on the Union's citizens.

Three principles referring to the portfolio of indices as a whole:

1. The portfolio of indicators should be balanced across different dimensions.
 2. The indicators should be mutually consistent and the weight of single indicators in the portfolio should be proportionate.
 3. The portfolio of indicators should be as transparent and accessible as possible to the citizens of the European Union.
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Source: Executive summary, page 190, in Atkinson et al (2002)..

Crucial to this is a clear understanding of the *purpose* of an indicator, and avoidance of using any single measure to do several different jobs at once. At present, we think the government's proposal is unclear in purpose, and is unrealistic about what can be achieved with a single indicator (see discussion in covering letter).

Q26: In creating a new measure, should any dimension be a gateway?

We find it difficult to respond to this question as we are not clear about the concept the government is seeking to capture with its multidimensional measure.

Assuming the concept is the multidimensional measure set out as concept (2) in our covering letter, we do not think a gateway approach would be helpful. As discussed in the letter, we

have concerns about the usefulness and practicalities of combining indicators into a single measure and recommend instead that the government take a ‘dashboard’ approach in which domains and indicators are kept separate. Part of our concern is about the enormous loss of information that would accompany the merging of different measures into a single indicator. A gateway approach would not solve these concerns, and indeed would compound the problem. The obvious gateway indicator would be low income, but this would focus policy concern on a sub-set of the income poor. We believe that all children living below the income poverty line should be of concern; and similarly that all children who are experiencing deprivation in other domains should be of interest regardless of income level.

Q27: Should the indicators be weighted and, if so, what factors should influence the choice of weighting?

The questions appear to take for granted that any weighting refers to the system by which multiple indicators are first summarised into a single measure for each individual, and then the combined-single-index information for each individual is then summarised across individuals (e.g. in terms of its average, or the percentage below a threshold). This is analogous to what is done in the measures of material deprivation reported in the HBAI statistics. We observe that, in principle, the aggregation process can be done differently: viz by first combining the information across individuals for each dimension so as to provide dimension-specific indices, and then to aggregate the dimension-specific indices across the dimensions. This is analogous to what is done in compilation of the Human Development Index (based on three dimensions).

Our comments that follow refer to the first type of weighting and aggregation system.

In any case, a prior issue is that of the *scale* of measurement of each of the various dimensions, and hence of comparability across dimensions. In psychometrics, it is common to transform multiple indicators of a single latent trait to a common scale, e.g. so that they each have a mean of zero and a standard deviation of one. Another strategy, used in the literature on material deprivation, is to reduce the available data for each and every dimension to a binary indicator variable (taking on values of either 0 or 1). We acknowledge that this is empirically convenient, but imposes a set of assumptions that are not necessarily appropriate.

Our second observation is that any weighting system incorporates a set of assumptions about the trade-offs between the different dimensions in terms of the overall combined-single-index measure. Not using weights also makes assumptions! Two factors influence the social trade-offs built into an aggregate measure. First, there is the issue of the relative ‘importance’ of each dimension. Second, there is the issue of whether the contribution of any particular dimension to the aggregate measure for an individual depends on the individual’s values for the other dimensions. Illustration with reference to the measures of material deprivation is instructive. The aggregate deprivation index is often treated as a simple arithmetic sum across binary indicators, so deprivation on dimension x is treated exactly the same as deprivation on

dimension y . Moreover, if a child is deprived according to dimension z , then the contribution of this to the aggregate index does not depend at all on whether the child is deprived on dimensions x or y . The HBAI measures of material deprivation use ‘prevalence weighting’ rather than a simple equal-weighted sum, but the second point about ‘interaction effects’ stands in this case as well. Regarding prevalence weighting (the idea that deprivation is weighted more if more people in the population already have the item): the main argument in its favour is that it appears to be a plausible way of incorporating different weights across dimensions. But it remains a relatively ‘mechanical’ fix, and relies on the prior assumption that is alright to reduce data for each dimension to a binary indicator.

In psychometrics, researchers sometimes use methods such as confirmatory factor analysis or principal components analysis to summarise a set of measures across multiple dimensions, and then use the estimated scores for a principal component to weight the indicators. We believe that this approach has some validity when the multiple indicators refer to a single underlying latent trait, but we have concerns about applying the same method in the current context, where the multiple dimensions refer to multiple aspects of people’s lives. So, blind reliance on statistical methods to choose the weights may be inappropriate.

The literature on the “multidimensional measures of poverty” is currently investigating these and related issues. (A useful introduction to the literature is provided in the articles by Atkinson, and Bourguignon and Chakravarty, in *Journal of Economic Inequality*, volume 1(1), 2003.) One feature of that literature is that much of the research attempts to ascertain the conditions under which one can say that overall poverty (taking into account all the various dimensions for all the individuals) in year A is greater or smaller than in year B . A part of this exercise is consideration of the assumptions that are required about scales of measurement and about weights for each dimension and cross-dimension ‘interaction effects’ in order to derive results. An important lesson for the current exercise is getting clear cut results about trends is difficult – these so-called ‘dominance’ conditions are rather stringent. Or put differently, any results about trends in multidimensional poverty are reliant on assumptions about weighting systems that may not command widespread assent.

We believe that specification of a measurement system that combines data from multiple dimensions of the kind proposed in the Consultation document would not meet many of the criteria proposed by Atkinson et al. (2002), as set out earlier.

Q28: Which indicators should be weighted more or less?

Our response to this question is incorporated in the response to question 27.

Q29: How could we measure child poverty at the local level?

This question begs the question of what is meant by the ‘local level’.

The earlier questions in effect assume that any measurement exercise will produce a new measure of ‘poverty’ status for each child in the data set that is being used. That is, it assumes that there are data on each and every dimension for each and every child.

We note that sample sizes in most national surveys for local areas below standard region level are relatively ‘small’, thereby raising issues of sampling variability that would raise serious questions about the robustness of comparisons across ‘local areas’ or for each area over time.

Alternatively, were local area versions of the new measure to be derived from very large samples of individuals, such as the Census, then there would be inevitable compromises in terms of the numbers and types of dimension that could be considered. In addition such data are collected infrequently, so timely and up-to-date measurement would not be possible.

Q30: How should we check the robustness and simplicity?

Please see our earlier comments.

Q31: What would you use a multidimensional measure of child poverty for?

We would not use the measure as proposed in the consultation document, because we believe it is fundamentally flawed. A measure which had a more coherent conceptual basis might be of some limited use. However, we would find it much more useful to have disaggregated data on the constituent dimensions. We would make extensive use of this disaggregated information, which would be helpful in understanding patterns of income poverty and wider deprivation, exploring drivers and risk factors behind different dimensions of disadvantage, and assessing policy in these areas.

Q32 Please use this space for any other comments you would like to make.

Please see our covering letter.

Q33 Please let us have your views on responding to this consultation (e.g. the number and type of questions, whether it was easy to find, understand, complete etc.).

We appreciate the opportunity to provide input into this consultation and we have done our best to approach it in a constructive and helpful way, offering the benefit of our combined expertise on the topic. However, we would like to place on record our view that the consultation itself is ill-designed to the point that its results may mislead.

We say this for three reasons. The first is that the consultation starts from the presumption that a single multidimensional indicator of child poverty is a good idea. Our considered view is that this is mistaken, for the reasons we set out. However, the consultation does not ask this most fundamental of questions. It is hard to see what value can be derived from a

consultation which asks at length about the detailed design of a measure without first establishing consultees' views about whether the measure is sound in concept and capable of being operationalized in a way which will be useful for policy and monitoring purposes. We urge the government to consult on this question directly and to publish the results before turning to the detail of the design of its measure.

The second is that the consultation document is conceptually muddled, and unclear about the underlying concept of multidimensional disadvantage it is trying to capture. As we point out in our covering letter, there are at least four separate potential concepts at play here. A lack of clarity about which concept is of interest has made it difficult for us to answer the questions about how important individual factors are, and other respondents will have faced the same problem. As different people are likely to have had different concepts in mind when they answered the questions it will be impossible for the government to interpret the responses in a meaningful way.

Third, many of the questions effectively take the form of an opinion poll, requiring respondents to rate the relative importance of various factors to a child's experience of poverty and life chances, or their importance as part of a measure of child poverty. Aside from the confusion over what it is that the measure is trying to capture, opinions on each topic will no doubt be shaped by respondents' own interests and knowledge. Few people will have an overview of all areas nor access to research evidence about the relative importance of one 'dimension' vis-à-vis another. The responses will therefore reflect the interests of the sample, nothing more. Asking a self-selecting sample of people for 'votes' on the importance of topics in this way cannot itself be a basis for determining the content of a supposedly scientific measure which will require substantial investment of public funds to establish and monitor and which will be the basis for crucial public policy decisions. We urge the government to use the results only alongside reliable research evidence, and with appropriate analysis of who has said what.

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